



Rule Up For Discussion and Possible Filing

Proposed Amendments to

Amended Section WAC 230-30-030

Punchboard and pull-tab quality control program –
Special inspections, defective devices, reimbursements, and fees.

ITEM 15 (a) on the August 13, 2004, Commission Meeting Agenda.	Statutory Authority 9.46.070
Who proposed the rule change?	
Bob Tull, on behalf of ZDI Gaming, Inc.	
Why is this rule change needed?	
<p>Mr. Bob Tull has submitted a Petition for Rule Change, on behalf of ZDI Gaming, Inc. The attached memo provides the Commission options for handling the Petition.</p> <p>Staff has been working with ZDI during the past few months to answer questions about a machine they are developing. Staff has not seen the machine. Therefore, this memo is an analysis of the written material submitted by the petitioner. The petitioner is representing that the machine provides a new method of printing and dispensing pull-tabs. According to the petitioner, the machine is designed to read, print and dispense a paper pull-tab at a pull-tab operator's premises, when a pull-tab is purchased. The machine would also display an electronic image of a pull-tab on a video screen and store the pull-tabs electronically on a CD within the machine.</p> <p>Because this is not the usual and ordinary meaning of a pull-tab as defined in RCW 9.46.0273 (see attached memo from staff), allowing such a device is a policy decision to be made by the Commission. As such, ZDI has submitted the attached Petition for Rule Change.</p> <p>Please see attached memo for a detailed analysis by staff. We anticipate the petitioner will provide a 20 minute demonstration of the machine at the August Commission meeting.</p> <p><u>Attached:</u> Memo regarding the Commission's options for handling the Petition dated July 21, 2004 Analysis memo from the Agency Rules Team to Director Day dated July 21, 2004 Petition for Rule Change Attorney General Opinion dated July 21, 1999, regarding the Commission's authority to include video pull-tabs in the definition of a pull-tab. RCW 9.46.0241 Gambling device. Letter dated July 30, 2004, to Mr. Tull notifying him of the August Commission meeting.</p>	
Statements against the proposed rule change.	
None at this time.	
Which licensees will be directly impacted?	
Pull-tab manufacturers, distributors and operators.	
What are the potential impacts to the agency?	
Unknown at this time.	
Staff recommendation.	
Whether or not to allow this is a legal and policy decision.	



Rule Up For Discussion and Possible Filing

Proposed Amendments to

Amended Section WAC 230-30-072

Punchboard and pull-tab inventory control – Retention requirements – Audit adjustments.

ITEM 15 (b) on the August 13, 2004, Commission Meeting Agenda.	Statutory Authority 9.46.070
Who proposed the rule change?	
Bob Tull, on behalf of ZDI Gaming, Inc.	
Why is this rule change needed?	
<p>WAC 230-30-072 sets inventory, audit and retention requirements for pull-tabs. The petitioner proposes adding a provision to this rule to allow pull-tab series utilizing point of sale printing with approved electronic audit and security provisions to be maintained in accordance with the requirements of the Commission established at the time of approval under WAC 230-12-316 or as subsequently determined. However, such language was not submitted by the petitioner.</p> <p>The proposal refers to “point of sale printing”. However, this concept is not described or defined.</p>	
Statements against the proposed rule change.	
None at this time.	
Which licensees will be directly impacted?	
Pull-tab manufacturers, distributors and operators.	
What are the potential impacts to the agency?	
Unknown at this time.	
Staff recommendation.	
Whether or not to allow this is a legal and policy decision.	



Rule Up For Discussion and Possible Filing

Proposed Amendments to

Amended Section WAC 230-30-097

Standards – Approved pull-tab dispensing devices.

ITEM 15 (c) on the August 13, 2004, Commission Meeting Agenda.

Statutory Authority 9.46.070

Who proposed the rule change?

Bob Tull, on behalf of ZDI Gaming, Inc.

Why is this rule change needed?

This rule sets standards for pull-tab dispensing devices. The petitioner requests the following be added as a new subsection to this rule:

“Devices including electronic media components manufactured specifically for the dispensing of pull-tab manufactured at the point of sale shall meet the following standards:

- (a) be constructed so that consumers and operators can determine how many tabs remain unsold;
- (b) be constructed so that all protections required by the Commission for randomization, control of access, prevention of tampering, encryption, key codes and auditing are secure and verifiable.”

Please note there is no definition of “electronic media components”.

Statements against the proposed rule change.

None at this time.

Which licensees will be directly impacted?

Pull-tab manufacturers, distributors and operators.

What are the potential impacts to the agency?

Unknown at this time.

Staff recommendation.

Whether or not to allow this is a legal and policy decision.